

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2009-197-C - ORDER NO. 2009-448

JULY 14, 2009

IN RE: Joint Application of Birch Telecom of the)	ORDER APPROVING
South, Incorporated d/b/a Birch)	JOINT APPLICATION
Communications and IDS Telcom)	FOR TRANSFER OF
Corporation and Now Communications,)	CUSTOMERS
Incorporated for Authority to Transfer Assets)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Joint Application of IDS Telcom Corp. (“IDS”), Now Communications, Inc. (“NOW”), both wholly-owned subsidiaries of Cleartel, Communications, Inc. (“CCI”) (CCI, IDS, and NOW, collectively “Sellers”) and Birch Telecom of the South, Inc. d/b/a Birch Communications (“Birch”), a wholly owned subsidiary of Birch Communications, Inc. (“BCI”) (Birch or BCI, “Purchaser”) (IDS, NOW, and BTI, collectively, the “Applicants”), all of which have filed with the Commission, pursuant to S.C. Code Ann. Section 58-9-310, a request to approve the transfer of certain customers and related assets from Sellers to Purchaser. Upon approval, Birch will acquire from the Sellers approximately 22 presubscribed residential customers, 283 presubscribed business customers, and 192 prepaid local customers (the “Customers”) and the customer related data, databases, and customers’ records needed to support the provision of local and interexchange telecommunications services to the Sellers’ subscribers. Further, if the Application is approved, Birch will assume all

managerial, technical and financial responsibilities in connection with the operation of the retail services to be provided to the affected IDS and NOW Customers in South Carolina. The transaction does not involve a merger or consolidation, nor does the transaction require financing. Upon completion of the transaction and migration of customers to Birch, IDS and NOW will no longer offer telecommunications services in South Carolina, and IDS and NOW will surrender their authorizations in a separate filing. The affected customers are to be given written notice of the transaction. Other than a slight change in voicemail service, according to the Applicants, the transaction will be almost transparent to the customers in terms of rates and services.

At the request of the Commission's Docketing Department, a Notice of Filing was published in newspapers of general circulation in the companies' service areas. Proof of publication was furnished to this Commission. No Protests or Petitions to Intervene were filed. S.C. Code Ann. Section 58-9-310 (Supp. 2008) states that no telephone utility may transfer property without the approval of the Commission "after due hearing." We hold that, in this case, our weekly agenda session of July 1, 2009 constitutes the requisite "due hearing."

In any event, we have examined this matter and approve the Application as filed. The Application is unopposed. We believe that the affected customers will not be prejudiced, in that they will be given written notice of the transfer, and therefore, will be given the opportunity to either keep their present service or make other arrangements for service. Other than some changes in the provision of voicemail, it appears that the proposed transfer of service will be almost transparent to customers in terms of rates and

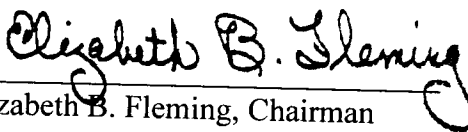
JULY 14, 2009

PAGE 3

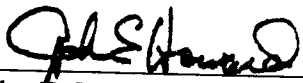
services provided. Again, the Application is granted as filed. The Applicants will notify this Commission and the Office of Regulatory Staff upon completion of the transaction.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:


Elizabeth B. Fleming, Chairman

ATTEST:


John E. Howard, Vice Chairman
(SEAL)